

Canada Pension Plan Changes for January 1, 2012

The Government of Canada has announced changes to Canada Pension Plan (CPP) deductions, effective January 1, 2012. The changes do not apply to employees who have Quebec Pension Plan (QPP) deductions.

What are the changes?

Starting January 1, 2012 employees who are 60 to 70 years of age and are currently exempt from CPP deductions (as they provided their employers proof that they receive CPP retirement benefits), will no longer be exempted from CPP deductions from their pay. If you fall into this category, you will begin seeing CPP deductions from your first pay in January.

Can I request an exemption?

Only employees, who are 65 to 70 years of age, **and** in receipt of CPP retirement benefits, will be able to file an election with the Canada Revenue Agency (CRA) and their employer, to stop the CPP deductions, by completing the CRA form CPT30.

If you meet these election qualifications, CPP deductions will cease in the month following the month in which the CPT30 form was received.

For further information regarding this and other changes the Canada Pension Plan, refer to CRA's website at <http://www.cra-arc.gc.ca/tx/ndvdl/tpcs/cpp-rpc/cpp-menu-eng.html>

How do I find the CPT30 form?

For the CPT30 form, go to the CRA website <http://www.cra-arc.gc.ca/tx/ndvdl/tpcs/cpp-rpc/cpp-menu-eng.html>, select the Topic Section called "How Do I Stop Contributing to CPP?" and follow the links provided.

Where do I send the CPT30 form?

For employees that are 65 to 70 years of age who qualify, and would like to file an election, the form CPT30 must be completed, signed and sent to:

Canada Revenue Agency – address indicated on the CPT30 form

Please note that the CRA will not accept any CPT30 forms prior to December 1, 2011

For enquiries regarding your eligibility for exemption from CPP deductions or in completing the CPT30 form, please contact CRA at 1-800-959-8282.